

1                               AMENDMENT TO HOUSE BILL 3402

2           AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3402, AS AMENDED,  
3 by replacing the title with the following:

4           "AN ACT concerning local government."; and

5 by replacing everything after the enacting clause with the  
6 following:

7           "Section 5. The Illinois State Auditing Act is amended by  
8 changing Section 3-1 as follows:

9           (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

10          Sec. 3-1. Jurisdiction of Auditor General. The Auditor  
11 General has jurisdiction over all State agencies to make post  
12 audits and investigations authorized by or under this Act or  
13 the Constitution.

14          The Auditor General has jurisdiction over local  
15 government agencies and private agencies only:

16               (a) to make such post audits authorized by or under  
17 this Act as are necessary and incidental to a post audit  
18 of a State agency or of a program administered by a State  
19 agency involving public funds of the State, but this  
20 jurisdiction does not include any authority to review  
21 local governmental agencies in the obligation, receipt,

1 expenditure or use of public funds of the State that are  
2 granted without limitation or condition imposed by law,  
3 other than the general limitation that such funds be used  
4 for public purposes;

5 (b) to make investigations authorized by or under  
6 this Act or the Constitution; and

7 (c) to make audits of the records of local  
8 government agencies to verify actual costs of  
9 state-mandated programs when directed to do so by the  
10 Legislative Audit Commission at the request of the State  
11 Board of Appeals under the State Mandates Act.

12 In addition to the foregoing, the Auditor General may  
13 conduct an audit of the Metropolitan Pier and Exposition  
14 Authority, the Regional Transportation Authority, the  
15 Suburban Bus Division, the Commuter Rail Division and the  
16 Chicago Transit Authority and any other subsidized carrier  
17 when authorized by the Legislative Audit Commission. Such  
18 audit may be a financial, management or program audit, or any  
19 combination thereof.

20 The audit shall determine whether they are operating in  
21 accordance with all applicable laws and regulations. Subject  
22 to the limitations of this Act, the Legislative Audit  
23 Commission may by resolution specify additional  
24 determinations to be included in the scope of the audit.

25 In addition to the foregoing, the Auditor General must  
26 also conduct a financial audit of the Illinois Sports  
27 Facilities Authority's expenditures of public funds in  
28 connection with the reconstruction, renovation, remodeling,  
29 extension, or improvement of all or substantially all of any  
30 existing "facility", as that term is defined in the Illinois  
31 Sports Facilities Authority Act.

32 The Auditor General may also conduct an audit, when  
33 authorized by the Legislative Audit Commission, of any  
34 hospital which receives 10% or more of its gross revenues

1 from payments from the State of Illinois, Department of  
2 Public Aid, Medical Assistance Program.

3 The Auditor General is authorized to conduct financial  
4 and compliance audits of the Illinois Distance Learning  
5 Foundation and the Illinois Conservation Foundation.

6 As soon as practical after the effective date of this  
7 amendatory Act of 1995, the Auditor General shall conduct a  
8 compliance and management audit of the City of Chicago and  
9 any other entity with regard to the operation of Chicago  
10 O'Hare International Airport, Chicago Midway Airport and  
11 Merrill C. Meigs Field. The audit shall include, but not be  
12 limited to, an examination of revenues, expenses, and  
13 transfers of funds; purchasing and contracting policies and  
14 practices; staffing levels; and hiring practices and  
15 procedures. When completed, the audit required by this  
16 paragraph shall be distributed in accordance with Section  
17 3-14.

18 The Auditor General shall conduct a financial and  
19 compliance and program audit of distributions from the  
20 Municipal Economic Development Fund during the immediately  
21 preceding calendar year pursuant to Section 8-403.1 of the  
22 Public Utilities Act at no cost to the city, village, or  
23 incorporated town that received the distributions.

24 The Auditor General must conduct an audit of the Health  
25 Facilities Planning Board pursuant to Section 19.5 of the  
26 Illinois Health Facilities Planning Act.

27 The Auditor General must conduct an annual audit of the  
28 water fund of a county water commission organized pursuant to  
29 the Water Commission Act of 1985.

30 (Source: P.A. 90-813, eff. 1-29-99; 91-782, eff. 6-9-00;  
31 91-935, eff. 6-1-01.)

32 Section 10. The Illinois Municipal Code is amended by  
33 changing Section 11-124-1 as follows:

(65 ILCS 5/11-124-1) (from Ch. 24, par. 11-124-1)

Sec. 11-124-1. Contracts for supply of water.

(a) The corporate authorities of each municipality may contract with any person, corporation, municipal corporation, political subdivision, public water district or any other agency for a supply of water. Any such contract entered into by a municipality shall provide that payments to be made thereunder shall be solely from the revenues to be derived from the operation of the waterworks system of the municipality, and the contract shall be a continuing valid and binding obligation of the municipality payable from the revenues derived from the operation of the waterworks system of the municipality for the period of years, not to exceed 40, as may be provided in such contract. Any such contract shall not be a debt within the meaning of any constitutional or statutory limitation. No prior appropriation shall be required before entering into such a contract and no appropriation shall be required to authorize payments to be made under the terms of any such contract notwithstanding any provision in this Code to the contrary. (a) Payments to be made under any such contract shall be an operation and maintenance expense of the waterworks system of the municipality. Any such contract made by a municipality for a supply of water may contain provisions whereby the municipality is obligated to pay for such supply of water without setoff or counterclaim and irrespective of whether such supply of water is ever furnished, made available or delivered to the municipality or whether any project for the supply of water contemplated by any such contract is completed, operable or operating and notwithstanding any suspension, interruption, interference, reduction or curtailment of the supply of water from such project. Any such contract may provide that if one or more of the other purchasers of water defaults in the payment of its

1 obligations under such contract or a similar contract made  
2 with the supplier of the water, one or more of the remaining  
3 purchasers party to such contract or such similar contract  
4 shall be required to pay for all or a portion of the  
5 obligations of the defaulting purchasers. (b) Payments to be  
6 made under any such contract with a municipal joint action  
7 water agency under the Intergovernmental Cooperation Act  
8 shall be an operation and maintenance expense of the  
9 waterworks system of the municipality. Any such contract  
10 made by a municipality for a supply of water with a municipal  
11 joint action water agency under the provisions of the  
12 Intergovernmental Cooperation Act may contain provisions  
13 whereby the municipality is obligated to pay for such supply  
14 of water without setoff or counterclaim and irrespective of  
15 whether such supply of water is ever furnished, made  
16 available or delivered to the municipality or whether any  
17 project for the supply of water contemplated by any such  
18 contract is completed, operable or operating and  
19 notwithstanding any suspension, interruption, interference,  
20 reduction or curtailment of the supply of water from such  
21 project. Any such contract with a municipal joint action  
22 water agency may provide that if one or more of the other  
23 purchasers of water defaults in the payment of its  
24 obligations under such contract or a similar contract made  
25 with the supplier of the water, one or more of the remaining  
26 purchasers party to such contract or such similar contract  
27 shall be required to pay for all or a portion of the  
28 obligations of the defaulting purchasers.

29 The changes in this Section made by these amendatory Acts  
30 of 1984 are intended to be declarative of existing law.

31 (b) A municipality with a water supply contract with a  
32 county water commission organized pursuant to the Water  
33 Commission Act of 1985 shall provide water to unincorporated  
34 areas of that home county in accordance with the terms of

this subsection. The provision of water by the municipality shall be in accordance with a mandate of the home county as provided in Section 0.01 of the Water Commission Act of 1985. A home rule unit may not provide water in a manner that is inconsistent with the provisions of this amendatory Act of the 93rd General Assembly. This subsection is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule units of powers and functions exercised by the State.

(Source: P.A. 83-1123; 83-1524.)

Section 15. The Water Commission Act of 1985 is amended by changing Section 2 and by adding Sections 0.01, 0.02, 0.03, 0.04, and 0.05 as follows:

(70 ILCS 3720/2) (from Ch. 111 2/3, par. 252)

Sec. 2. The General Assembly hereby finds and declares that it is necessary and in the public interest to help assure a sufficient and economic supply of a source of water within those county wide areas of this State where, because of a growth in population and proximity to large urban centers, the health, safety and welfare of the residents is threatened by an ever increasing shortage of a continuing, available and adequate source and supply of water on an economically reasonable basis; however, it is not the intent of the General Assembly to interfere with the power of municipalities to provide for the retail distribution of water to their residents or the customers of their water systems. Therefore, in order to provide for a sufficient and economic supply of water to such areas, it is hereby declared to be the law of this State that:

(a) With respect to any water commission constituted pursuant to Division 135 of the Illinois Municipal Code or established by operation of law under Public Act 83-1123, as

1 amended, which water commission includes municipalities which  
2 in the aggregate have within their corporate limits more than  
3 50% of the population of a county (hereinafter referred to as  
4 a "home county"), and such county is contiguous to a county  
5 which has a population in excess of 1,000,000 inhabitants,  
6 the provisions of this Act shall apply. With respect to any  
7 such water commission (hereinafter referred to as a "county  
8 water commission"):

9 (i) the terms of all commissioners of such  
10 commission holding office at the time a water commission  
11 becomes a county water commission shall terminate 30 days  
12 after such time and new commissioners shall be appointed  
13 as the governing board of the county water commission as  
14 hereinafter provided in subsection (c); and

15 (ii) the county water commission shall continue to  
16 be a body corporate and politic, and shall bear the name  
17 of the home county but shall be independent from and not  
18 a part of the county government and shall itself be a  
19 political subdivision and a unit of local government, and  
20 upon appointment of the new commissioners as the  
21 governing board of such water commission as provided in  
22 subsection (c), such water commission shall remain  
23 responsible for the full payment of, and shall by  
24 operation of law be deemed to have assumed and shall pay  
25 when due all debts and obligations of the commission as  
26 the same is constituted and as such debts and obligations  
27 existed on the date such water commission becomes a  
28 county water commission and such additional debts and  
29 obligations as are incurred by such commission after such  
30 date and prior to the appointment of the new  
31 commissioners as the governing board of such commission,  
32 and further shall continue to have and exercise all  
33 powers and functions and duties of a water commission  
34 created pursuant to Division 135 of the Illinois

1       Municipal Code, as now or hereafter amended, and the  
2       county water commission may rely on that Division, as  
3       modified and supplemented by the provisions of this Act,  
4       as lawful authority under which it may act.

5       (b) Any county water commission shall have as its  
6       territory within its corporate limits, subject to taxation  
7       for its purposes, and subject to the powers and limitations  
8       as conferred by this Act, (i) all of the territory of the  
9       home county except that territory located within the  
10      corporate limits of excluded units as hereinafter defined and  
11      (ii) also all of the territory located outside the home  
12      county and included within the corporate limits of an  
13      included unit as hereinafter defined. As used in this Act,  
14      "excluded unit" means a unit of local government having a  
15      waterworks system and having within its corporate limits  
16      territory within the home county and which, at the time any  
17      commission becomes a county water commission, receives, or  
18      has contracted at such time for the receipt of, more than 25%  
19      of the water distributed by such unit's water system from a  
20      source outside of the home county. As used in this Section,  
21      "included unit" means any unit of local government having a  
22      waterworks system and having within its corporate limits  
23      territory within the home county, which unit of local  
24      government is not an excluded unit. No other water  
25      commission shall be constituted under Division 135 of the  
26      Illinois Municipal Code in any home county after the  
27      effective date of this Act to provide water from any source  
28      located outside the home county. Except as authorized by a  
29      county water commission, no home county or included unit  
30      shall enter into any new or renew or extend any existing  
31      contract, agreement or other arrangement for the acquisition  
32      or sale of water from any source located outside a home  
33      county; provided, however, that any included unit may  
34      contract for a supply of water in case of a temporary



1 emergency from any other unit of local government or any  
2 entity. In the event that any included unit elects to serve  
3 retail customers outside its corporate boundaries and to  
4 establish rates and charges for such water in excess of those  
5 charged within its corporate boundaries, such rates and  
6 charges shall have a reasonable relationship to the actual  
7 cost of providing and delivering the water; this provision is  
8 declarative of existing law. It is declared to be the law of  
9 this State pursuant to paragraphs (g) and (h) of Section 6 of  
10 Article VII of the Illinois Constitution that in any home  
11 county, the provisions of this Act and Division 135 of the  
12 Illinois Municipal Code, as modified and supplemented by this  
13 Act and this amendatory Act of the 93rd General Assembly,  
14 constitute a limitation upon the power of any such county and  
15 upon all units of local government (except excluded units)  
16 within such county, including home rule units, limiting to  
17 such county, units of local government and home rule units  
18 the power to acquire, supply or distribute water or to  
19 establish any water commission for such purposes involving  
20 water from any source located outside the home county in a  
21 manner other than as provided or permitted by this Act and  
22 Division 135, as modified and supplemented by this Act, and  
23 further constitute an exercise of exclusive State power with  
24 respect to the acquisition, supply and distribution of water  
25 from any source located outside the home county by any such  
26 county and by units of local government (except excluded  
27 units), including home rule units, within such county and  
28 with respect to the establishment for such purposes of any  
29 water commission therein, which power may not be exercised  
30 concurrently by any unit of local government or home rule  
31 unit. Upon the request of any included unit, a county water  
32 commission shall provide such included unit Lake Michigan  
33 water in an amount up to the then current Department of  
34 Transportation allocation of Lake Michigan water for such

1 included unit.

2 With respect to a water commission to which the  
3 provisions of subsection (a) apply, all uninhabited territory  
4 that is owned and solely occupied by such a commission and is  
5 located not within its home county but within a non-home rule  
6 municipality adjacent to its home county shall,  
7 notwithstanding any other provision of law, be disconnected  
8 from that municipality by operation of this Act on the  
9 effective date of this amendatory Act of 1991, and shall  
10 thereafter no longer be within the territory of the  
11 municipality for any purpose; except that for the purposes of  
12 any statute that requires contiguity of territory, the  
13 territory of the water commission shall be disregarded and  
14 the municipality shall not be deemed to be noncontiguous by  
15 virtue of the disconnection of the water commission  
16 territory.

17 (c) The governing body of any water commission to which  
18 the provisions of subsection (a) apply shall be a board of  
19 commissioners, each to be appointed within 30 days after the  
20 water commission becomes a county water commission to a term  
21 commencing on such date, as follows:

22 (i) one commissioner, who shall serve as chairman,  
23 who shall be a resident of the home county, to be  
24 appointed by the chairman of the county board of such  
25 county with the advice and consent of the county board,  
26 provided that following the expiration of the term or  
27 vacancy of the current chairman serving on the effective  
28 date of this amendatory Act of the 93rd General Assembly,  
29 any subsequent appointment as chairman shall also be  
30 subject to the advice and consent of the county water  
31 commission;

32 (ii) one commissioner from each county board  
33 district within the home county, to be appointed by the  
34 chairman of the county board of the home county with the

advice and consent of the county board; and

(iii) one commissioner from each county board district within the home county, to be appointed by the majority vote of the mayors of those included units which are municipalities and which have the greatest percentage of their respective populations residing within such county board district of the home county.

The mayors of the respective county board districts shall meet for the purpose of making said respective appointments at a time and place designated by that mayor in each county board district of the included unit with the largest population voting for a commissioner upon not less than 10 days' written notice to each other mayor entitled to vote.

The commissioners so appointed shall serve for a term of 6 years, or until their successors have been appointed and have qualified in the same manner as the original appointments, except that at the first meeting of such commissioners, (A) the commissioners first appointed pursuant to paragraph (ii) of this subsection shall determine publicly by lot 1/3 of their number to serve for terms of 2 years, 1/3 of their number to serve for terms of 4 years and 1/3 of their number to serve for terms of 6 years, any odd number of commissioners so determined by dividing into thirds to serve 6 year terms, and (B) the commissioners first appointed pursuant to paragraph (iii) of this subsection shall determine publicly by lot 1/3 of their number to serve for terms of 2 years, 1/3 of their number to serve for terms of 4 years and 1/3 of their number to serve for terms of 6 years, any odd number of commissioners so determined by dividing into thirds to serve 6 year terms. The commissioner first appointed pursuant to paragraph (i) of this subsection, who shall serve as chairman, shall serve for a term of 6 years. Any commissioner may be a member of the governing board or an officer or employee of such county or any unit of local

1 government within such county. A commissioner is eligible  
2 for reappointment upon the expiration of his term. A vacancy  
3 in the office of a commissioner shall be filled for the  
4 balance of the unexpired term by appointment and  
5 qualification as to residency in the same manner as the  
6 original appointment was made. Each commissioner shall  
7 receive the same compensation which shall not be more than  
8 \$600 per year, except that no such commissioner who is a  
9 member of the governing board or an officer or employee of  
10 such county or any unit of local government within such  
11 county may receive any compensation for serving as a  
12 commissioner. Each commissioner may be removed by the  
13 appointing authority for any cause for which any other county  
14 or municipal officer may be removed. The county water  
15 commission shall determine its own rules of proceeding. A  
16 quorum shall be a majority of the commissioners then in  
17 office. All ordinances or resolutions shall be passed by not  
18 less than a majority of a quorum. No commissioner or  
19 employee of the commission, no member of the county board or  
20 other official elected within such county, no mayor or  
21 president or other member of the corporate authorities of any  
22 unit of local government within such county, and no employee  
23 of such county or any such unit of local government, shall be  
24 interested directly or indirectly in any contract or job of  
25 work or materials, or the profits thereof, or services to be  
26 performed for or by the commission. A violation of any of  
27 the foregoing provisions of this subsection is a Class C  
28 misdemeanor. A conviction is cause for the removal of a  
29 person from his office or employment.

30 (d) Except as provided in subsection (g), subject to the  
31 referendum provided for in subsection (e), a county water  
32 commission may borrow money for corporate purposes on the  
33 credit of the commission, and issue general obligation bonds  
34 therefor, in such amounts and form and on such conditions as

1 it shall prescribe, but shall not become indebted in any  
2 manner or for any purpose in an amount including existing  
3 indebtedness in the aggregate to exceed 5.75% of the  
4 aggregate value of the taxable property within the  
5 territorial boundaries of the county water commission, as  
6 equalized and assessed by the Department of Revenue and as  
7 most recently available at the time of the issue of said  
8 bonds. Before or at the time of incurring any indebtedness,  
9 except as provided in subsection (g), the commission shall  
10 provide for the collection of a direct annual tax, which  
11 shall be unlimited as to rate or amount, sufficient to pay  
12 the interest on such debt as it falls due and also to pay and  
13 discharge the principal thereof at maturity, which shall be  
14 within 40 years after the date of issue thereof. Such tax  
15 shall be levied upon and collected from all of the taxable  
16 property within the territory of the county water commission.  
17 Dissolution of the county water commission for any reason  
18 shall not relieve the taxable property within such territory  
19 of the county water commission from liability for such tax.  
20 The clerk of the commission shall file a certified copy of  
21 the resolution or ordinance by which such bonds are  
22 authorized to be issued and such tax is levied with the  
23 County Clerk of each county in which any of the territory of  
24 the county water commission is located and such filing shall  
25 constitute, without the doing of any other act, full and  
26 complete authority for each such County Clerk to extend such  
27 tax for collection upon all the taxable property within the  
28 territory of the county water commission subject to such tax  
29 in each and every year required sufficient to pay the  
30 principal of and interest on such bonds, as aforesaid,  
31 without limit as to rate or amount, and shall be in addition  
32 to and in excess of all other taxes authorized to be levied  
33 by the commission or any included unit. The general  
34 obligation bonds shall be issued pursuant to an ordinance or

1 resolution and may be issued in one or more series, and shall  
2 bear such date or dates, mature at such time or times and in  
3 any event not more than 40 years from the date thereof, be  
4 sold at such price at private or public sale as determined by  
5 a county water commission, bear interest at such rate or  
6 rates such that the net effective interest rate received upon  
7 the sale of such bonds does not exceed the maximum rate  
8 determined under Section 2 of the Bond Authorization Act,  
9 which rates may be fixed or variable, be in such  
10 denominations, be in such form, either coupon or registered,  
11 carry such conversion, registration, and exchange privileges,  
12 be executed in such manner, be payable in such medium of  
13 payment at such place or places within or without the State  
14 of Illinois, be subject to such terms of redemption, and  
15 contain or be subject to such other terms as the ordinance or  
16 resolution may provide, and shall not be restricted by the  
17 provisions of any other terms of obligations of public  
18 agencies or private persons.

19 (e) No issue of general obligation bonds by a county  
20 water commission (except bonds to refund an existing bonded  
21 indebtedness) shall be authorized unless the commission  
22 certifies the proposition of issuing such bonds to the proper  
23 election officials, who shall submit the proposition to the  
24 voters at an election in accordance with the general election  
25 law, and the proposition has been approved by a majority of  
26 those voting on the proposition.

27 The proposition shall be in the form provided in Section  
28 5 or shall be substantially in the following form:

29 -----

30 Shall general obligation

31 bonds for the purpose of

32 (state purpose), in the YES

33 sum of \$....(insert amount), -----

34 be issued by the ..... NO

1 (insert corporate name of  
2 the county water commission)?  
3 -----

4 (f) In order to carry out and perform its powers and  
5 functions and duties under the provisions of this Act and  
6 Division 135 of the Illinois Municipal Code, as modified and  
7 supplemented by this Act, the governing body of any county  
8 water commission may by ordinance levy annually upon all  
9 taxable property within its territory a tax at a rate not to  
10 exceed .005% of the value of such property, as equalized or  
11 assessed by the Department of Revenue for the year in which  
12 the levy is made. In addition, any county water commission  
13 may by ordinance levy upon all taxable property within its  
14 territory, for one year only, an additional tax for such  
15 purposes at a rate not to exceed .20% of the value of such  
16 property, as equalized or assessed by the Department of  
17 Revenue for that year; provided, however, that such tax may  
18 not be levied more than once in any county water commission.

19 (g) Any county water commission shall have the power to  
20 borrow money, subject to the indebtedness limitation provided  
21 in subsection (d), from the home county or included units, in  
22 such amounts and in such terms as agreed by the governing  
23 bodies of the commission and the home county or included  
24 units.

25 (h) No county water commission constituted pursuant to  
26 the Act shall engage in the retail sale or distribution of  
27 water to residents or customers of any municipality.

28 (i) Nothing in the Section requires any municipality to  
29 contract with a county water commission for a supply of  
30 water.

31 (j) The State of Illinois recognizes that any such  
32 contract for the supply of water executed by a unit of local  
33 government and a county water commission may contain terms  
34 and conditions intended by the parties thereto to be absolute

1 conditions thereof. The State of Illinois also recognizes  
2 that persons may loan funds to a county water commission  
3 (including, without limitation, the purchase of revenue or  
4 general obligation bonds of such commission) in reliance upon  
5 the terms and conditions of any such contract for the supply  
6 of water. Therefore, the State of Illinois pledges and  
7 agrees to those parties and persons which make loans of funds  
8 to a county water commission that it will not impair or limit  
9 the power or ability of a county water commission or a unit  
10 of local government fully to carry out the financial  
11 obligations and obligation to furnish water pursuant to the  
12 terms of any contract for the supply of water entered into by  
13 such county water commission or unit of local government for  
14 the term of such contracts or loans. All other terms and  
15 conditions of such contracts and intergovernmental agreements  
16 shall be binding to the extent that they are not inconsistent  
17 with this amendatory Act of the 93rd General Assembly.

18 (Source: P.A. 87-145.)

19 (70 ILCS 3720/0.01 new)

20 Sec. 0.01. Service to areas with contaminated or tainted  
21 water.

22 (a) Notwithstanding the terms of a water supply contract  
23 existing on the effective date of this amendatory Act of the  
24 93rd General Assembly, a municipality with a water supply  
25 contract with a county water commission must provide water to  
26 territories outside that municipality, provided that the  
27 territory to be served currently receives well water that is  
28 tainted or contaminated. The home county board must find that  
29 the water supply in such territory is tainted or contaminated  
30 such that the health of persons served in that territory is  
31 likely to be adversely affected now or in the future. The  
32 county water commission shall determine which municipality in  
33 the home county is most appropriate for supplying water to



1 the territory with the contaminated wells within 30 days of a  
2 county board finding that there is a tainted or contaminated  
3 water supply.

4 The municipality shall provide access to water for such  
5 territory no later than 90 days after the county water  
6 commission has determined by resolution that the municipality  
7 is the most appropriate municipality for providing access to  
8 water for the territory. "Access to water" includes access  
9 through the municipal main, but the municipality need not  
10 otherwise provide infrastructure to deliver water from the  
11 municipal main. The municipality may sell water to such  
12 territory at a rate higher than the rate charged to municipal  
13 customers, in accordance with existing law.

14 (b) Unless otherwise provided by law, property in  
15 unincorporated territory receiving water pursuant to  
16 subsection (a) of this Section shall not be annexed without  
17 consent of the owner of the property. A municipality's  
18 furnishing water pursuant to subsection (a) of this Section  
19 may not be conditioned on an agreement to annex. "Owner" for  
20 the purpose of this subsection is any person or persons in  
21 title, or in the case of property owned in trust, having the  
22 beneficial ownership of such property, who owned the property  
23 on the date water is first so received pursuant to subsection  
24 (a) of this Section. Upon transfer of ownership of such  
25 property, the municipality may annex it by ordinance.

26 (c) This amendatory Act of the 93rd General Assembly is  
27 a limitation under subsection (i) of Section 6 of Article VII  
28 of the Illinois Constitution on the concurrent exercise by  
29 home rule units of powers and functions exercised by the  
30 State.

31 (70 ILCS 3720/0.02 new)

32 Sec. 0.02. Rate equalization. Notwithstanding the terms  
33 of a water supply contract existing on the effective date of

1 this amendatory Act of the 93rd General Assembly, all parties  
2 to a water supply contract with a county water commission,  
3 irrespective of whether such party is a charter member or  
4 subsequent entrant, shall pay rates equal to the rates paid  
5 by other parties to such water supply contract and shall not  
6 pay any additional fees, costs, or differentials as a  
7 condition of becoming a party to such water supply contract.  
8 Subsequent entrants to a water supply contract shall pay  
9 their pro-rata portion of the original capital costs less any  
10 rebates and the actual costs of connection to the water  
11 commission system.

12 (70 ILCS 3720/0.03 new)

13 Sec. 0.03. Water subsidy guaranty. Except to satisfy  
14 the obligations of persons who loaned funds to the county  
15 water commission, the water rates charged to municipalities  
16 that are in effect on the effective date of this amendatory  
17 Act of the 93rd General Assembly may not be increased for a  
18 period of 5 years.

19 (70 ILCS 3720/0.04 new)

20 Sec. 0.04. Five-year annual transfer of funds to home  
21 county. Beginning July 1, 2003 and prior to July 1 of each  
22 year through and including 2007, each county water commission  
23 shall from any legally available sources transfer the sum of  
24 \$15,000,000 to the county board of the home county to be used  
25 for county purposes. This amendatory Act of the 93rd General  
26 Assembly is subordinate to any legally required payment of  
27 principal, interest, or required reserve pursuant to the  
28 county water commission's debt obligations.

29 (70 ILCS 3720/0.05 new)

30 Sec. 0.05. Home rule. A municipality, including a home  
31 rule unit, must regulate its water systems and provide access

1 to water as required under the provisions of this amendatory  
2 Act of the 93rd General Assembly. This Section is a denial  
3 and limitation under subsection (i) of Section 6 of Article  
4 VII of the Illinois Constitution on the concurrent exercise  
5 by home rule units of powers and functions exercised by the  
6 State.

7 Section 90. The State Mandates Act is amended by adding  
8 Section 8.27 as follows:

9 (30 ILCS 805/8.27 new)

10 Sec. 8.27. Exempt mandate. Notwithstanding Sections 6  
11 and 8 of this Act, no reimbursement by the State is required  
12 for the implementation of any mandate created by this  
13 amendatory Act of the 93rd General Assembly.

14 Section 97. Severability. The provisions of this Act  
15 are severable under Section 1.31 of the Statute on Statutes.

16 Section 99. Effective date. This Act takes effect upon  
17 becoming law."